

MEETING SUMMARY REPORT
Texas Tech University
Animal and Food Sciences Building, Room #101
Lubbock, Texas 79401

January 31, 2005

Regulatory Enforcement Fairness Hearing

Total attendance:	49
Congressional attendance	03
RegFair Board in attendance	03
SBA personnel	11
Agencies attending	07 (DOL/OSHA; EPA; USDA/FSIS; IRS; DOL/OSBP; DOL/Wage & Hour Div.; FAA)
No. of comments	12

Small Business Organizations	Point of Contact	Membership
Lubbock Hispanic Chamber of Commerce	Esther Sepeda	357
SBDC – Northwest Texas	Dr. Allen Carrigo	33
Mayor’s Office of Economic Dev.	Tom Martin – Mayor Pro Tem	200,000
City of Levelland	Rick Osburn	15,000
South Plains Government Association	Tim Pierce	115,056
Midland College	John Martinez	4,500
Total Represented		334,946

Summary:

Testifiers:

1. James Loomis – Director, Lubbock Preston Smith International Airport

FAA: The unfunded mandates handed down from FAA and the Federal Government. The problems are related to procurement/and use of local funds to pay for procedures and improvements mandate without supporting funds. Mr. Loomis stated due to the mandates handed down for security purposes and consumer protection and those mandates not

having any or not sufficient funding attached has cost the local municipalities great deal of money. These funds are either obtained by higher taxes or reduction of other city services.

2. Dan Dennison – Environmental Compliance Mgr. – City of Lubbock

EPA: The new drinking water arsenic standard of 10 parts per billion (ppb) was based upon studies from Taiwan, Argentina and Chile, while studies in the United States were ignored. This new 10 ppb instead of the current 50 ppb would deal a hardship upon the Municipalities financial status while providing no proven benefit for the public. Funds required to comply with the new ill advised standard should be used for measures that will actually have a positive impact on the public health.

3. Jeff Lansdell – CEV Multimedia, Ltd.

Dept. of Education: The issue discussed was the No Child Left Behind. Mr. Lansdell has done major marketing of curriculum in regards to a highly technical advance teaching aid for teachers throughout the Texas, Oklahoma, New Mexico and Colorado. During his marketing trips and discussions with teachers, a pattern came apparent that the poor school districts were downsizing or totally dropping vocational classes (FFA, Home Economics, Shop, Business, etc) from the school's curriculum. With the President stating his Domestic Policy as No Child Left Behind this is alarming. Not all High School students are college material and the continued non-funding of vocational courses will place many young individuals on the street without being prepared.

4. Gary Lawrence – CEO – Lubbock Economic Development Alliance

SBA: Discussion concerning the centralization and possible closing of district offices. Mr. Lawrence stated that the centralization process has resulted in undue hardships to the general population of Northwest Texas. It was expressed that the major concern will be dealing with people in other locations that knows nothing about this area and has little of no incentive to assist this area or its population. The District office plays a major role in the economic development of this area.

5. Shari Flynn – Lubbock Housing Finance Corporation and High Plains Community Capital, LLC

OCC, FRB, FDIC, OTS: The issue discussed was the Community Reinvestment Act. It was brought out that many of the out of district and large banks fail to reinvest required funds back into communities that deposits are obtained. It was explained that many of the larger banks take capital obtained in the smaller cities and towns and reinvest these proceeds in their later metropolitan areas and that the smaller cities and towns receive crumbs in comparison to the funds obtain. It was further stated that banks are graded and the Community Reinvestment Act compliance was one of the areas that banks were scored. But it appears that this score makes little difference in the approval for expansions into other communities. With the expansion of banks into the different communities it is of a grave concern that all lending institutions comply with the regulations and that there is some sort of monitoring in place and fines are levied for non-compliance.

6. Mary Ann Rojas - Executive Director – Work Source of the South Plains.

Federal Funding Authority, DOL, DH&HS: Concerns over the administration and policy regarding a particular segment of our emerging workforce, children in foster care and their parents. The Health and Human Services Commission deeming unfettered power to the states, in this case the Department of Protective and Regulatory Services demonstrates lack of responsibility and should be re-examined. Ms. Rojas point is how can one be expected to adhere to conflicting guidelines when the agency that sets forth such guidelines is unyielding in its practices? How does one cope when what is expected of you is greater than what you can give? Consenting to one set ultimately leads to the failure of the other.

7. Rick Osburn - City Manager – City of Levelland

EPA: The new drinking water arsenic standard of 10 parts per billion (ppb) would result in to unfair financial burden on small municipalities. The new regulations would result in new water treatment units costing \$150,000.00 per unit. It would take 10 of these units to handle the daily water usage of the City of Levelland. There is no evidence moving from the current regulation of 50 ppb will give any benefit to the public consumer at all.

8. Jeff Crain, PhD. – Business Counselor – Midland College Business Economic Development Co.

FCC: The issue was that there are no regulations requiring the wireless systems to be consistent in the services they offer the general public. The other issue is that something needs to be done in regard to the amount of spam on the internet.

9. Ysabel Luna – Owner- Burrito Sabroso

SBA, FDIC, OCC: Issues discussed was the Community Credit Reinvestment Act, available credit for minorities, SBA policy that the individuals have to be credit worthy. Mr. Luna felt that banks in the area was taking depositor money from the minority areas of Lubbock and not reinvesting in the businesses from those areas as is stated in the community reinvestment act. He further stated that the banks were not held responsible and there appears to be no penalties if they do not comply with the Community Reinvestment Act. He further stated that the SBA cares little about the minority sector because of the policies that SBA has concerning that the obligators must be credit worthy and that doesn't make sense since most of the minority business people are struggling to get started and will often have bad credit reports.

10. Ernest Esparza – Coordinator Catholic Family Services

Department of Immigration: The new requirement that doctors, clinics, and hospitals are to report any undocumented persons to Immigrations that they treat. This will place an unfair burden on all especially rural clinics and hospitals and doctors.

11. Esther Sepeda – President - Lubbock Hispanic Chamber

SBA: The concern voiced was the possible closing of the District Office in Lubbock and the centralization and the importance of the District office to the economic development of the Hispanic community.